

AFFIDAVIT OF LYNN B. KELSOE

STATE OF ALABAMA)

COUNTY OF COFFEE)

Before me, the undersigned authority, personally appeared Lynn B. Kelsoe, who first being duly sworn, deposes and says as follows:

1. My name is Lynn B. Kelsoe. I am competent in all respects to execute this Affidavit. I am Vice President of Community Bank & Trust of Southeast Alabama (“CB&T”). I am authorized to provide this Affidavit on behalf of CB&T.

2. This Affidavit is based upon my personal knowledge of the facts and my review of the records of CB&T. The records of CB&T are created, maintained, and preserved by CB&T in the ordinary course of CB&T’s business, and as a regular and ordinary business practice of CB&T. The exhibits attached to this Affidavit are true and correct copies of the originals of the same.

3. “AA Adams Construction Co.,” an Alabama general partnership, is indebted to CB&T under a promissory note dated January 15, 2004, in the principal amount of \$259,188.07 (the “Note”). Exh. 1 (copy of the Note). The Note was a consolidation and renewal of prior promissory notes evidencing partnership debt owed to CB&T. Mr. Adams was a guarantor of the Note and of the promissory notes that were renewed under the Note. As of April 25, 2005, the debt owed under the Note is \$273,249.04 (\$250,490.87 -- principal; and \$22,758.17 -- interest), exclusive of late fees and collection costs.

4. The Note contains a Security Agreement in which AA Construction Co. granted to CB&T a security interest in Equipment, Accounts, General Intangibles, and identified

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contracts. **Exh. 1.** CB&T filed a UCC-1 with Alabama's Secretary of State on January 29, 2004.

Exh. 2 (UCC-1, B-04-0073409FS).

5. On February 27, 2004, CB&T, AA Adams Construction Co., and Ben Adams entered into that certain Correction Amendment to Security Agreement. **Exh. 3** (copy of the Amendment). Pursuant to the Amendment, CB&T amended the note and security agreement, and CB&T prepared two UCC-3's and a UCC-1. CB&T recorded on March 3, 2004, its two UCC-3's amending the UCC-1 filed on January 29, 2004. **Exh. 4** (copy of two UCC-3, both bearing file number B-04-0073409AM). In addition, CB&T recorded on March 3, 2004, a second UCC-1 to perfect CB&T's Security Interest in all Equipment, Accounts, General Intangibles, Payment Intangibles, Contract Claims, and Commercial Tort Claims of AA Adams Construction Co. and Adams. **Exh. 5** (copy of UCC-1, 04-015-9577FS).



Lynn B. Kelsoe

SWORN TO AND SUBSCRIBED
BEFORE ME ON THIS 28th DAY
OF April 2005

Sandra Banas

Notary Public

My Commission Expires: MY COMMISSION EXPIRES OCT. 16, 2008
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